



Legislative Bulletin.....September 14, 2011

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H.J.Res. 77 - Relating to the disapproval of the President's exercise of authority to increase the debt limit, as submitted under section 3101A of title 31, United States Code, on August 2, 2011.

H.J.Res. 77 - Relating to the disapproval of the President's exercise of authority to increase the debt limit, as submitted under section 3101A of title 31, United States Code, on August 2, 2011. (Reed, R-NY)

Order of Business: The resolution is scheduled to be considered on Wednesday, September 14, 2011, under the privileged resolution procedures provided by the Budget Control Act, which provides for two hours of debate.

Summary: H.J.Res. 77 would resolve that the House of Representatives, and the Senate, disapprove of the President's exercise of authority to increase the debt limit by \$900 billion (the first debt limit increase tranche provided by the Budget Control Act). If the resolution of disapproval were enacted, the President's remaining \$500 billion debt ceiling request would not become effective, and federal spending (excepting Medicare, defense, veterans, Social Security) would be cut by \$400 billion through sequestration procedures.

Additional Information: On August 2, 2011, the [Budget Control Act of 2011](#) was signed into law. One component of this bill was to accommodate a debt ceiling increase of between \$2.1 trillion and \$2.4 trillion (exact amount depending on what product results from the "Joint Select Committee on Deficit Reduction").

Per this law, the first tranche amounts to \$900 billion: \$400 billion was instant, while \$500 billion would be subject to congressional disapproval. Consequently, the resolution of disapproval determines whether the debt ceiling is increased by \$500 billion.

The Congress could disapprove of the President's request under similar procedures to the McConnell plan, but the President could veto the resolution of disapproval, so a two-thirds veto override would almost certainly be necessary to prevent the debt ceiling increase. The law would subsequently provide for a second debt limit increase (subject to similar disapproval procedures) of between \$1.2 trillion and \$1.5 trillion.

For a one-pager with key dates concerning the Budget Control Act see [here](#).

Committee Action: H.J.Res. 77 was introduced on September 7, 2011, and was referred to the House Ways and Means Committee, which discharged the resolution.

Administration Position: No Statement of Administration Policy (SAP) is provided. However, since the Administration has asked for the full \$900 billion increase, it is likely they are opposed to this resolution.

Cost to Taxpayers: The resolution would prevent an increase in the debt ceiling of \$500 billion.

Does the Bill Expand the Size and Scope of the Federal Government?: No. This legislation would prohibit the debt-ceiling from being raised by \$500 billion.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No CBO score with that information is available, however the legislation does not appear to contain anything that would so qualify.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: This legislation contains no earmarks.

Constitutional Authority: Rep. Reed's statement of constitutional authority, found in the Congressional Record, states: "Congress has the power to enact this legislation pursuant to the following: Article 1, Section 8, Clause 1 relating to the power to pay the debts of the United States."

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